WHAT IS CLAIMED IS:

1. A system for electronically recording a transaction, comprising:

a formatted surface including a data entry field that includes an address pattern;

an electronic reading device including a position sensor for detecting positions of the electronic reading device relative to the address pattern as information is written in the data entry field, wherein the positions of the electronic reading device are used to generate an electronic reproduction of the written information; and

a server for receiving the electronic reproduction of the written information.

2. The system of claim 1, wherein the formatted surface comprises a negotiable instrument.

3. The system of claim 2, wherein the server further stores the received electronic reproduction in connection with a user account associated with the electronic reading device.

4. The system of claim 2, wherein the data field comprises a signature field, the server further operating to compare the electronic reproduction of the written information with a stored user signature.

5. The system of claim 4, wherein the server authorizes a transaction if the electronic reproduction corresponds to the stored user signature.

6. The system of claim 2, wherein the server authorizes a transaction based on a determination of whether the formatted surface is allocated for use in connection with the electronic reading device.

7. The system of claim 1, wherein the data field comprises a personal identification number (PIN) field, the server further operating to compare the electronic reproduction of the written information with a stored PIN.

8. The system of claim 1, wherein the electronic reading device ciphers the electronic reproduction of the written information for transmission to the server.

9. The system of claim 1, further comprising a physical attribute sensor for detecting a unique physical attribute of a user, said detected physical attribute used for enabling the electronic reading device.

10. The system of claim 9, further comprising a security module for comparing the detected physical attribute with stored physical attribute data and for enabling the electronic reading device if the detected physical attribute corresponds to the stored physical attribute data.

11. A method for electronically recording a transaction, comprising the steps of:

detecting a plurality of positions of an electronic reading device with respect to a particular address pattern on a formatted surface, said plurality of positions corresponding to information written on the formatted surface with the electronic reading device;

determining whether an identifier for the electronic reading device is associated with the particular address pattern; and

establishing whether the written information is valid based on said determination.

12. The method of claim 11, wherein the formatted surface comprises a negotiable instrument.

13. The method of claim 12, wherein the written information comprises a signature, the method further comprising the step of correlating the plurality of positions with stored signature data.

14. The method of claim 12, further comprising step of sending the plurality of positions to a server for providing confirmation of the negotiable instrument.

15. The method of claim 11, further comprising the step of enabling the electronic reading device only if a personal identification number (PIN) written with the electronic reading device corresponds to stored PIN data.

16. The method of claim 11, further comprising the step of detecting a unique physical attribute of a user of the electronic pen, wherein the step of establishing that the written information is valid is further based on a determination that the detected physical attribute corresponds to stored physical attribute data associated with the electronic reading device.

17. An electronic reading device, comprising:

a position sensor for detecting a position of the electronic reading device relative to an address pattern;

a physical attribute sensor for detecting a physical attribute of a user of the electronic reading device; and

a security module for determining whether the detected physical attribute corresponds to an authorized user and for enabling use of the electronic reading device based on the determination.

18. The electronic reading device of claim 17, wherein the physical attribute sensor detects a fingerprint of the user.

19. The electronic reading device of claim 17, wherein the physical attribute sensor detects a corneal feature of the user.

20. An electronic reading system, comprising:

an electronic reading device including a position sensor for detecting positions of the electronic reading device relative to an address pattern on a formatted surface;

a memory for storing a preselected code; and

a processor for converting the detected positions into an entered code and for comparing the entered code with the stored preselected code, wherein the electronic reading device is enabled for at least one function if the entered code matches the stored preselected code.

21. The system of claim 20, wherein the electronic reading device further comprises the memory and the processor.

22. The system of claim 20, wherein the stored preselected code comprises a personal identification number (PIN) code.

23. The system of claim 22, wherein the PIN code comprises a plurality of symbols selected from a set of symbols that can be written with one stroke.

24. The system of claim 20, wherein the electronic reading device includes a writing means.

25. The system of claim 24, wherein the formatted surface comprises a laminated paper such that the writing means does not leave markings on the laminated paper.

26. The system of claim 24, wherein the writing means can be selectively disabled such that the writing means does not leave markings on the formatted surface.

27. The system of claim 20, wherein the electronic reading device vibrates in connection with an entry of the code.

28. The system of claim 27, wherein the electronic reading device vibrates a first number of times to request that the code be entered and a second number of times to indicate that the code has been correctly entered.

29. The system of claim 20, wherein the electronic reading device remains in an enabled state for a predetermined amount of time.

30. A method of enabling an electronic reading device, comprising the steps of:

determining a plurality of positions of an electronic reading device relative to an address pattern by detecting portions of the address pattern adjacent to the electronic reading device;

converting the plurality of positions into an entered code;

comparing the entered code with a preselected code; and

enabling at least one function of the electronic reading device if the entered code corresponds to the preselected code.

31. The method of claim 30, wherein the plurality of positions correspond to a plurality of handwritten symbols, the step of converting the plurality of positions into an entered code involving performing a handwriting recognition operation.

32. The method of claim 30, wherein each of the plurality of positions corresponds to a field associated with a specific symbol, the step of converting involving identifying the specific symbol corresponding to each position.

33. The method of claim 30, further comprising the step of initiating a predetermined vibration scheme to request a code entry.

34. The method of claim 30, further comprising the step of initiating a predetermined vibration scheme to indicate that the electronic reading device is enabled.

35. The method of claim 30, further comprising the step of disabling the at least one function of the electronic reading device after a preselected amount of time.

36. The method of claim 30, wherein the plurality of positions correspond to a plurality of handwritten symbols, each handwritten symbol written in one stroke.

37. The method of claim 30, wherein the electronic reading device includes a writing tip, the address pattern included on a laminated surface such that the writing tip does not leave marks on the surface.

38. The method of claim 30, wherein the electronic reading device includes a writing tip, further comprising the step of disabling the writing tip such that the electronic reading device does not leave marks in connection with a code entry.